

It is obvious that with a little austerity in its imports Turkey could have managed to discover the additional \$11,375 needed to pay the U.S. interest at the rate of 4 percent rather than to expect the United States to make a combined loan-grant to it.

In my report, I stated with respect to these three-fourths of 1 percent loans:

It is time to stop fooling the American people. These are not loans—they are combination loans and grants—with the grant portion coming close to equaling the amount of the loan.

There is great opposition to this amendment—or, for that matter, to any amendment increasing interest rates on loans under our foreign aid program.

In the recent disaster which befell the State of Alaska, I tried most unsuccessfully to persuade the Administrator of the Small Business Administration to reduce disaster loans from 3 percent to the lesser interest rate we charge under our foreign aid program for loans to aid the private sector of foreign countries—three-fourths of 1 percent. As I said, I did not succeed. My proposal was met with a variety of objections.

First, I was told that these loans did not go to the private sector of the foreign countries—they only ended up there after the foreign government had tacked on a tax in the form of an additional interest rate. That our money was being used to strengthen the private sector of foreign economies was conveniently forgotten.

Then, I was told that I did not have a full appreciation of the thinking of business. I was told that to a businessman, the interest rate was of secondary impor-

tance when compared to the other terms offered, that is, the repayment period and any moratoriums on repayment.

But when we seek to increase the interest rate—as I shall do through this amendment—to a rate equal to that paid by the United States on its own borrowings, interest rate becomes a vital matter and we are told that if the amendment succeeds then the foreign nations will be unable to borrow.

This I cannot understand.

Low interest rates are not necessary and are unimportant when they concern Alaska businessmen, stricken by one of the greatest natural disasters to befall any State. But when they concern foreign borrowers, low interest rates become the be-all and end-all of the entire program and we are warned that the program will fall unless the interest rate is kept at three-fourths of 1 percent per year.

This is called having one's cake and eating it, too.

This argument I cannot understand and will not support. If interest rates are unimportant to Alaska businessmen seeking to borrow money from the United States in time of disaster, then they are unimportant to foreign governments seeking to borrow money from the United States to aid the private sectors of their economies.

If the AID administrators are trying to tell the Congress that Tanganyika would turn down the loan of \$250,000 from the United States merely because of an annual interest rate increase of \$8,105 then they are asking the Congress to believe something that is well-nigh unbelievable.

If there is to be equality of treatment both here at home and abroad then my interest rate amendment should be enacted.

The ACTING PRESIDENT pro tempore. The amendment will be received and appropriately referred; and, without objection, the amendment and list of loans will be printed in the RECORD.

The amendment (No. 1175) submitted by Mr. GRUENING, was received, and ordered to lie on the table, as follows:

On page 1, between lines 6 and 7, insert the following:

"TITLE 1—DEVELOPMENT LOAN FUND

"Sec. 101. Section 201(d) of the Foreign Assistance Act of 1961, as amended, which relates to the Development Loan Fund, is amended to read as follows:

"(d) Funds made available for this title shall not be loaned or reloaned at rates of interest excessive or unreasonable for the borrower and in no event shall such funds (except funds loaned under section 205 and funds which prior to the date of enactment of the Foreign Assistance Act of 1964 were authorized or committed to be loaned upon terms which do not meet the minimum terms set forth herein) be loaned at a rate of interest of less than the rate arrived at by adding one-quarter of 1 per centum per annum to the rate which the Secretary of the Treasury determines to be equal to the average annual interest rate on all interest-bearing obligations of the United States then forming a part of the public debt, as computed at the end of the fiscal year next preceding the date the application for the loan is approved and by adjusting the result so obtained to the nearest one-eighth of 1 per centum."

Redesignate the succeeding sections under part I, accordingly.

The list of loans presented by Mr. GRUENING is as follows:

Loans made by the Agency for International Development to foreign countries during calendar year 1963 at $\frac{3}{4}$ of 1 percent for 40 years¹ (repayable in dollars)

Country, borrower, and purpose	Date of loan agreement	Number of years repayment	Interest rate	Amount of loan	Country, borrower, and purpose	Date of loan agreement	Number of years repayment	Interest rate	Amount of loan
LATIN AMERICA					LATIN AMERICA—con.				
Argentina:					Costa Rica:				
Government of Argentina:					Banco Nacional de Costa Rica: Agricultural development	July 23, 1963	40	$\frac{3}{4}$	\$5,000,000
Central Housing Bank	June 3, 1963	40	$\frac{3}{4}$	\$12,500,000	Republic of Costa Rica:				
Route 12 road project	Jan. 21, 1963	40	$\frac{3}{4}$	6,700,000	Slum replacement housing	do	40	$\frac{3}{4}$	2,000,000
Road program loan	Mar. 18, 1963	40	$\frac{3}{4}$	30,500,000	Cachi hydroelectric project	do	40	$\frac{3}{4}$	1,500,000
Feasibility studies	June 3, 1963	40	$\frac{3}{4}$	3,000,000	Metro emergency water supply	do	40	$\frac{3}{4}$	1,400,000
Grain storage facilities	Oct. 10, 1963	40	$\frac{3}{4}$	21,700,000	IBRC/AIC highway program	do	40	$\frac{3}{4}$	2,100,000
Bolivia:					COFISA: Financing subloans	Dec. 23, 1963	40	$\frac{3}{4}$	5,000,000
Government of Bolivia:					Dominican Republic: National Housing Bank: Savings & Loan Association	Jan. 2, 1963	40	$\frac{3}{4}$	2,100,000
Access roads	Aug. 1, 1963	40	$\frac{3}{4}$	7,200,000	Ecuador:				
La Paz-El Alto Highway	Aug. 17, 1963	40	$\frac{3}{4}$	3,400,000	Government of Ecuador:				
El Alto Customs Center	do	40	$\frac{3}{4}$	2,200,000	Quito-Quevedo road	Sept. 1, 1963	40	$\frac{3}{4}$	2,700,000
Banco Industrial, S.A.: Assist in financing subloans	do	40	$\frac{3}{4}$	2,400,000	Economic and engineering studies	Sept. 4, 1963	40	$\frac{3}{4}$	2,000,000
Government of Bolivia: Agricultural Bank	do	40	$\frac{3}{4}$	3,700,000	Administrative and fiscal reform	Sept. 2, 1963	40	$\frac{3}{4}$	1,600,000
Brazil:					El Salvador:				
Credito y Financiamiento S.A.: Development bank	Mar. 6, 1963	40	$\frac{3}{4}$	4,000,000	Republic of El Salvador:				
Cia. de Carbonos Coloides: Carbon black plant	Mar. 11, 1963	40	$\frac{3}{4}$	2,000,000	Primary school construction	Sept. 18, 1963	40	$\frac{3}{4}$	2,400,000
Government of Brazil: Emergency stopgap assistance	Apr. 24, 1963	40	$\frac{3}{4}$	25,500,000	Agricultural loan program	do	40	$\frac{3}{4}$	8,900,000
Super Desenvolvimento, N.E.: Emergency electric power	Oct. 29, 1963	40	$\frac{3}{4}$	2,400,000	INSATI	do	40	$\frac{3}{4}$	4,500,000
Chile:					Honduras: Government of Honduras:				
Government of Chile: Development program	Jan. 31, 1963	40	$\frac{3}{4}$	35,000,000	Small water systems	Aug. 22, 1963	40	$\frac{3}{4}$	1,050,000
Colombia:					Jamaica: Government of Jamaica: Project assistance	Nov. 29, 1963	40	$\frac{3}{4}$	1,500,000
Government of Colombia: Feasibility studies	June 26, 1963	40	$\frac{3}{4}$	4,000,000	Nicaragua: Government of Nicaragua:				
National Housing Institute of Colombia: Self-help housing	do	40	$\frac{3}{4}$	7,500,000	Las Mercedes Airport	July 25, 1963	40	$\frac{3}{4}$	1,000,000
Colombia Institute of Agrarian Reform: Supervised agricultural credit	do	40	$\frac{3}{4}$	10,000,000	Panama: Instituto de Acueductos: Water supply and sewerage system	Feb. 6, 1963	40	$\frac{3}{4}$	6,000,000
Government of Colombia: Mineral resources survey	Sept. 18, 1963	40	$\frac{3}{4}$	2,000,000	Peru:				
					Government of Peru:				
					Lima water, sewerage	Mar. 15, 1963	40	$\frac{3}{4}$	8,600,000
					Feasibility studies	do	40	$\frac{3}{4}$	3,000,000
					Uruguay: Banco Hipotecario del Uruguay: Home construction	Feb. 28, 1963	40	$\frac{3}{4}$	6,000,000

August 3

17144

Loans made by the Agency for International Development to foreign countries during calendar year 1963 at $\frac{3}{4}$ of 1 percent for 40 years¹ (repayable in dollars)—Continued

Country, borrower, and purpose	Date of loan agreement	Number of years repayment	Interest rate	Amount of loan	Country, borrower, and purpose	Date of loan agreement	Number of years repayment	Interest rate	Amount of loan
LATIN AMERICA—continued					AFRICA				
Venezuela: C.A. Bank for Economic Integration: Feasibility studies..... Home loan department.....	Nov. 29, 1963 do.	40 40	$\frac{3}{4}$ $\frac{3}{4}$	\$2,500,000 10,000,000	Cameroon: Government of Cameroon: Extension of railway system.....	Aug. 27, 1963	40	$\frac{3}{4}$	\$9,200,000
FAR EAST					Ethiopia: Government of Ethiopia: 3d highway program.....	Dec. 2, 1963	40	$\frac{3}{4}$	4,000,000
Korea: Government of Korea: Changsong Coal Mine District.....	Dec. 7, 1963	40	$\frac{3}{4}$	9,500,000	Ivory Coast: Government of Ivory Coast: Highway equipment.....	Nov. 29, 1963	40	$\frac{3}{4}$	1,700,000
NEAR EAST AND SOUTH ASIA					Liberia: Government of Liberia: National medical center.....	Dec. 5, 1963	40	$\frac{3}{4}$	5,300,000
Afghanistan: Government of Afghanistan: Ariana Afghan Airlines..... Transport equipment.....	Mar. 23, 1963 Dec. 3, 1963	40 40	$\frac{3}{4}$ $\frac{3}{4}$	2,625,000 2,000,000	Monrovia Power Authority: MT coffee hydroelectric project.....	Sept. 26, 1963	40	$\frac{3}{4}$	24,300,000
India: Government of India: Ramagundam thermal power..... Delhi C thermal power..... Satpura thermal power..... Central Ropeway F project..... Nonproject imports..... Chandrapura thermal stage II..... Fifth railway loan..... Cuckoo coal washery plant..... Tarapur nuclear power.....	May 21, 1963 Mar. 8, 1963 do. Oct. 21, 1963 Feb. 25, 1963 Oct. 21, 1963 do. Nov. 29, 1963 Dec. 7, 1963 Dec. 8, 1963	40 40 40 40 40 40 40 40 40 40	$\frac{3}{4}$ $\frac{3}{4}$ $\frac{3}{4}$ $\frac{3}{4}$ $\frac{3}{4}$ $\frac{3}{4}$ $\frac{3}{4}$ $\frac{3}{4}$ $\frac{3}{4}$ $\frac{3}{4}$	8,400,000 16,000,000 25,100,000 7,700,000 240,000,000 16,000,000 18,850,000 5,100,000 20,000,000 1,000,000	Government of Liberia: Monrovia Junior-Senior High School.....	Oct. 23, 1963	40	$\frac{3}{4}$	1,700,000
Nepal: Government of Nepal: Nepal Industrial Development Corp.	Dec. 8, 1963	40	$\frac{3}{4}$	1,000,000	Mali: Government of Mali: Teachers Training College..... Central Veterinary Laboratory at Bamako.....	Dec. 4, 1963 do.	40 40	$\frac{3}{4}$ $\frac{3}{4}$	2,100,000 1,100,000
Pakistan: Government of Pakistan: Sawmill and timber extraction..... Malaria eradication program..... Airport and airways equipment..... Salin content and reclamation project No. 2..... General commodities, 2d..... Chalna anchorage project..... Feasibility studies..... CPS and Maini-Rechna DCAB project..... Coastal embankment project..... General consultants..... 3d commodity loan..... General services in public health..... Investigative services..... 5th railway loan..... Telecommunication expansion..... Machinery pool organization..... WAPCA..... Mechanical equipment.....	Oct. 23, 1963 Feb. 28, 1963 Mar. 22, 1963 do. Mar. 27, 1963 Mar. 22, 1963 Mar. 27, 1963 Aug. 15, 1963 do. do. Sept. 28, 1963 Dec. 9, 1963 Nov. 20, 1963 do. Oct. 23, 1963 Dec. 9, 1963 Nov. 20, 1963	40 40 40 40 40 40 40 40 40 40 40 40 40 40 40 40 40 40	$\frac{3}{4}$ $\frac{3}{4}$ $\frac{3}{4}$ $\frac{3}{4}$ $\frac{3}{4}$ $\frac{3}{4}$ $\frac{3}{4}$ $\frac{3}{4}$ $\frac{3}{4}$ $\frac{3}{4}$ $\frac{3}{4}$ $\frac{3}{4}$ $\frac{3}{4}$ $\frac{3}{4}$ $\frac{3}{4}$ $\frac{3}{4}$ $\frac{3}{4}$	2,200,000 8,800,000 2,100,000 10,800,000 30,000,000 3,600,000 2,000,000 750,000 6,500,000 4,400,000 70,500,000 1,500,000 5,600,000 14,500,000 4,700,000 6,000,000 1,500,000	Niger: Government of Niger: Develop- ment bank.....	Dec. 14, 1963	40	$\frac{3}{4}$	500,000
Tanganyika: Government of Tanganyika: Ceres Salnam watersupply system..... Urban water supplies..... University college..... Teacher training college..... Commodity development train- ing center..... Agricultural college..... Program loan..... Electrical equipment.....	May 20, 1963 Dec. 4, 1963 Oct. 9, 1963 Dec. 4, 1963 do. do. Dec. 6, 1963 do.	40 40 40 40 40 40 40 40	$\frac{3}{4}$ $\frac{3}{4}$ $\frac{3}{4}$ $\frac{3}{4}$ $\frac{3}{4}$ $\frac{3}{4}$ $\frac{3}{4}$ $\frac{3}{4}$	2,200,000 1,300,000 800,000 800,000 250,000 1,250,000 1,000,000 300,000	Somalia: Government of Somalia: Chis- mallo port.....	do.	40	$\frac{3}{4}$	3,600,000
Tunisia: Government of Tunisia: Water and irrigation projects..... Commodity assistance..... Construction of university..... Agricultural equipment.....	Feb. 15, 1963 June 20, 1963 Oct. 31, 1963 do.	40 40 40 40	$\frac{3}{4}$ $\frac{3}{4}$ $\frac{3}{4}$ $\frac{3}{4}$	2,400,000 15,000,000 1,800,000 6,500,000	Sudan: Government of Sudan: Industrial development bank..... Khartoum sewerage.....	July 14, 1963 Dec. 7, 1963	40 40	$\frac{3}{4}$ $\frac{3}{4}$	2,000,000 3,800,000
Uganda: Government of Uganda: Development bank..... Secondary schools.....	Oct. 4, 1963 Oct. 11, 1963	40 40	$\frac{3}{4}$ $\frac{3}{4}$	2,000,000 2,400,000	Grand total for all countries.....				1,057,925,000

¹ Source: "Status of Loan Agreements" (W-224), Agency for International Development, as of Mar. 31, 1964, Office of the Controller, AID.

Total amount		Total amount	
Argentina.....	\$74,400,000	Ethiopia.....	\$4,000,000
Bolivia.....	18,900,000	Ivory Coast.....	1,700,000
Brazil.....	33,800,000	Liberia.....	31,300,000
Chile.....	35,000,000	Mali.....	3,200,000
Colombia.....	23,500,000	Niger.....	500,000
Costa Rica.....	17,000,000	Nigeria.....	20,700,000
Dominican Republic.....	2,100,000	Somalia.....	3,600,000
Ecuador.....	6,300,000	Sudan.....	5,800,000
El Salvador.....	15,800,000	Tanganyika.....	7,900,000
Honduras.....	1,050,000	Tunisia.....	25,700,000
Jamaica.....	1,500,000	Uganda.....	4,400,000
Nicaragua.....	1,000,000	Total.....	1,057,925,000
Panama.....	6,000,000		
Peru.....	11,800,000		
Uruguay.....	6,000,000		
Venezuela.....	12,500,000		
Korea.....	9,500,000		
Afghanistan.....	4,625,000		
India.....	414,150,000		
Nepal.....	1,000,000		
Pakistan.....	169,450,000		
Turkey.....	38,950,000		
United Arab Republic (Egypt).....	36,300,000		
Cameroon.....	9,200,000		

INTEREST EQUALIZATION TAX
ACT—AMENDMENTS (AMEND-
MENT NO. 1176)

Mr. GORE submitted amendments, intended to be proposed by him, to the bill (H.R. 8000) to amend the Internal Revenue Code of 1954 to impose a tax on acquisitions of certain foreign securities in

order to equalize costs of longer term financing in the United States and in markets abroad, and for other purposes, which were ordered to lie on the table and to be printed.

*Anti Semi*NOTICE OF HEARINGS ON SENATE
RESOLUTION 204, RELATING TO
PERSECUTION BY THE SOVIET
UNION OF PERSONS BECAUSE OF
THEIR RELIGION

Mr. FULBRIGHT. Mr. President, as chairman of the Committee on Foreign Relations, I desire to announce that the committee will hold a public hearing on the resolution (S. Res. 204), condemning persecution by the Soviet Union of persons because of their religion, beginning at 10:30 a.m. in room 4221, New Senate Office Building, on Monday, August 10.